IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.6800 OF 2005

Shramik Mahasangh ..Petitioner.

Vs.

M/s.Zadona Electronics Ltd. & Ors..Respondents.

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Ms.Jane Cox for the Petitioner.

Mrs.J.S.Pawar, Addl.G.P. for Respondent No.5.

Mr.Shyam Mehta i/b M/s.Little & Co. for Respondent No.8.

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CORAM : F.I.REBELLO &

DR.D.Y.CHANDRACHUD, JJ.

11th October, 2005.

P.C. :

1. Rule. Heard forthwith.

2. It is the case of the Petitioner, a union representing the workmen of Respondent No.1, that there are orders of the Industrial Court in so far as the dues of the workmen are concerned. It is also pointed out that in so far VRS amounts are

concerned, Petitions are pending. It is also pointed out that one of the workmen who had invested money in the company had filed a petition for winding up which is pending before the Company Court.

3. In the meantime, Respondent No.2 had taken out proceedings before the Debts Recovery Tribunal being Original Application No.3379 of 2000. By order dated 2nd June,2005 the application of Respondent No.2 has been allowed.

4. By the present Petition, the Petitioner prays to set aside the order of the Debts Recovery Tribunal in so far as the disbursement of amount from the sale proceeds to Respondent Nos.2 to 4 and 6 to 8 of this Petition. There are various other reliefs which are prayed for therein. We need not refer to the same considering the order to be passed.

5. The moveable and immovable assets of Respondent No.1 have to be disposed of. Any creditor who has the claim whether being secured or unsecured would be entitled to file objections

before the Recovery Officer. On the Recovery Officer taking steps in execution of the order dated 2nd June, 2005, the workmen who are so entitled and who are being represented by the Petitioner herein can also file their claims. The Recovery Officer in that event will consider the claims of all creditors who have filed their claims before the Recovery Officer and before making any disbursement from the amount received in execution proceedings decide the priority of the claims and thereafter to make disbursement according to law. In deciding the claims, the Recovery Officer shall consider and follow the directions issued by his Court in **Pandurang Keshav Gorwadkar v. Paper and Pulp Conversions Limited** decided on 11th August, 2004 reported in 2005(1) LJ Soft 67. Needless to say that if the Apex Court interferes with the judgment of this Court the Recovery Officer would be bound by the judgment of the Apex Court.

6. Rule made absolute accordingly. There shall be no order as to costs.

(F.I.REBELLO, J.)

(DR.D.Y.CHANDRACHUD, J.)